

FOIAb3b

Robert S. Allen - Paul Scott Report

Study Begun to Learn How CIA Spends Its Secret Spy Millions

CPYRGHT

By ROBERT S. ALLEN and PAUL SCOTT

John McCone, new head of the Central Intelligence Agency, is preparing to tighten the reins on the way his super-secret agency spends its money.

He is asking Cord Meyer Jr., who handles the CIA's "unvouchered" funds, to make a full report on the \$400 million doled out during the last 12 months for covert operations and intelligence-gathering activities.



Mr. Allen

Returning from a first-hand survey of the agency's foreign operations in November, McCone decided on this move after discovering that the CIA had financed dozens of questionable conferences, groups, and other undercover activities throughout the world.

For instance, McCone was shocked to learn in Europe that the CIA promoted or financed nearly every major international socialist conference held on the continent during the last 10 years.

HE IS NOW INVESTIGATING to determine whether these conferences were arranged as intelligence gathering missions or to promote socialistic movements and groups abroad, as some evidence now indicates.

McCone is also looking into the advisability of another questionable CIA activity. This is the unpublicized practice of giving large fees to U. S. law firms and foundations for making intelligence studies and furnishing the agency operational "advice," none of which has been of visible help in improving the CIA. In one case, a New York law firm was paid more than a million dollars in "consultant fees" with no evidence of positive results.